

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 4517

IN THE MATTER OF:

Served March 9, 1995

C&M CORPORATION, Trading as C&M)
TRANSPORT, Revocation of)
Certificate of Insurance and)
Investigation of Suspension and)
Revocation of Certificate No. 209)

Case No. MP-95-57

The Compact, Title II, Article XI, Section 7(f) directs each person holding a certificate of authority to comply with the Commission's insurance regulations. Article XI, Section 7(g) provides that a certificate of authority is not valid unless the holder is in compliance with the insurance requirements of the Commission. Article XI, Section 10 states that after notice and hearing the Commission may suspend or revoke all or part of a carrier's certificate of authority for the carrier's willful failure to comply with an order, rule or regulation of the Commission. Commission Regulation No. 58-01 provides in pertinent part:

A carrier shall secure the public by means of an insurance policy or policies in such minimum amounts and subject to such conditions as the Commission may prescribe. Evidence of the existence of such insurance shall be filed with the Commission and shall be in a form approved by or acceptable to the Commission.

Regulation No. 58-02 provides in pertinent part: "Security for the protection of the public shall remain in effect at all times."

C&M Corporation, a Maryland corporation trading as C&M Transport, and the holder of Certificate of Authority No. 209, filed two certificates of insurance on October 28, 1994: one certifying the existence of a \$1 million primary policy issued by Northland Insurance Co., policy no. TP200663; and the other certifying the existence of a \$4 million excess policy issued by Lexington Insurance Co., policy no. 86680010342.

On January 17, 1995, the Commission received two additional certificates of insurance from the aforementioned insurance companies identifying C&M Tour & Transport, Inc., as the insured. The policy numbers listed in the January 17 certificates match those listed in the October 28 certificates.

On January 31, 1995, the Commission received a request from C&M Tour & Transport, Inc., to change the "trade name" on Certificate No. 209 from C&M Transport to C&M Tour & Transport, Inc. The request was accompanied by a certificate of incorporation issued March 31, 1993, by the Commonwealth of Virginia, State Corporation Commission, in the name of C&M Tour & Transport, Inc.

On February 27, 1995, the Commission received a notice from Northland cancelling policy no. TP200663, effective April 15, 1995. The Commission also received a notice of cancellation from Lexington,

effective April 15, 1995, but the policy number in the notice does not match the policy number in the certificate of insurance. Each notice of cancellation identifies C&M Tour & Transport, Inc., as the insured.

These documents strongly indicate that the Northland and Lexington policies have been transferred from the Maryland corporation to the Virginia corporation and that the Northland policy has been cancelled as of April 15, 1995. Under Regulation No. 58-09, the Commission may, upon thirty (30) days' notice, revoke its approval of any certificate of insurance if, in the judgment of the Commission, such security does not comply with the Commission's regulations or for any reason fails to provide satisfactory or adequate protection for the public. Accordingly, we will revoke the certificate of insurance of C&M Corporation, effective thirty days after the date this order is served. C&M Corporation shall have until then to file one or more newly executed certificates of insurance establishing the existence of one or more insurance policies in the name of C&M Corporation, trading as C&M Transport.

In addition, pursuant to Commission Rule No. 22-07, we take official notice of the forfeiture of the charter of C&M Corporation as of October 3, 1994. We will allow C&M Corporation thirty days to file a certificate of good standing dated after the date this order is served.

THEREFORE, IT IS ORDERED:

1. That the certificate of insurance of C&M Corporation, trading as C&M Transport, is hereby revoked, effective thirty days after the date this order is served.

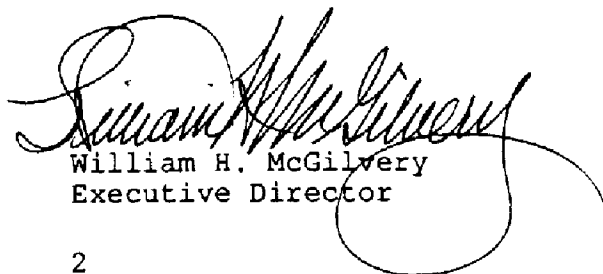
2. That C&M Corporation, trading as C&M Transport, shall have thirty days from the date this order is served to file one or more newly executed certificates of insurance establishing the existence of one or more insurance policies in the name of C&M Corporation, trading as C&M Transport.

3. That C&M Corporation, trading as C&M Transport, shall have thirty days from the date this order is served to file a certificate of good standing dated after the date this order is served.

4. That unless C&M Corporation, trading as C&M Transport, complies with the requirements of this order within 30 days from the date it is served, or such additional time as the Commission may direct or allow, Certificate of Authority No. 209 shall stand suspended and subject to immediate revocation without further proceedings.

5. That within fifteen days from the date this order is served, C&M Corporation, trading as C&M Transport, may request an oral hearing.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS ALEXANDER, LIGON, AND SHANNON:


William H. McGilvery
Executive Director